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SUBJECT: IRAQ 201: CENTRALIZATION AND POWER-SHARING -- A
NEW AXIS OF IRAQI POLITICS

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[1](#)B. BAGHDAD 585
[1](#)C. BAGHDAD 379
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Classified By: PMIN Robert Ford for reason 1.4 (d).

(U) This is one in a series of messages intended to provide background for policy-makers on Iraq.

[1](#)1. (C) Summary. Conflicting visions of the role of the state are increasing divisions among Iraqis, and have become a catalyst for political realignment at the national level. Most Sunni and Shi'a Arabs are inclined toward a strong central state, especially for the purpose of maintaining a unified Iraq, though in the provinces they are bitter about poor ministerial performance and suspicious of Saddam-style abuse. Kurds have a stronger stake in promoting decentralized authority over government functions as a means of protecting and capitalizing on their hard-won autonomy. The new Provincial Powers Law (PPL) gives local officials new powers over provincial budgets and security, but few are yet prepared to take advantage of them. The arrival of pro-centralist parties like the Sunni Arab Hadba in Ninewa and Shi'a Da'wa in the South into positions of real provincial authority could make them better appreciate the advantages of decentralization.

[1](#)2. (C) Meanwhile, the decentralization issue affects national politics too. Prime Minister Maliki's moves to consolidate his control over security and other functions have exacerbated divisions, provoking his former coalition partners -- the Kurds and the Shi'a Islamic Supreme Council of Iraq (ISCI), both anti-centralists -- to develop new partnerships with other anti-Maliki groups. To counter this bloc, the Prime Minister has been working to build support from the remaining, relatively nationalist Shi'a parties and perhaps from Sunni nationalist and ex-Baathist elements, including the National Dialogue Front. A realignment of national Iraqi politics along the axes of power-sharing, centralization and the Prime Minister could further complicate internal disputes such as those over territorial claims and hydrocarbons. That said, in a country where poliD,QL{Qy!H(Q!9=5sectarian security issues in the north. The varied responses to the Prime Minister's late-2008 formation and funding of tribal support councils (TSC), which were ostensibly designed to have a strong advisory role in provincial governance and security matters, illustrate the difference. In the South, where Shi'a tribal leaders responded positively to the TSC program, opposition came almost solely from ISCI, which viewed TSCs as an abuse of power designed to build Maliki's electoral support at ISCI's expense. In Kurdish areas, the councils were seen as a force to supplant Peshmerga in disputed areas, and thus as an immediate security threat. For Kurds, the notion of

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organizing Arab tribal leaders, with their ability to mobilize fighters, was unsettling. Sunni tribal and provincial leaders, accustomed to much greater largesse from the central government than provided by TSCs, largely ignored the program. On March 5, the Kurdish-ISCI-IIP bloc in parliament passed a budget removing TSCs from the Prime Minister's office to an ISCI-friendly office in the Ministry of Interior (ref B).

PPL: Budget and Security

¶5. (C) Officials from all provinces express frustration at their inability to deliver services effectively, given the strong role of Baghdad-based ministries. Whether fault lies with central government mismanagement, local incompetence, or both, voters used the provincial elections to change leadership in almost every province. The new Provincial Powers Law, effective with the seating of the new provincial councils (PC) in April, provides local officials with a new range of authorities. Provincial budgets can now be augmented by local duties, fines, governorate services, donations, and sale of assets. But provincial governments have little bureaucracy to implement such a program, which means they will remain reliant on central government allocations for the time being. Provincial governments also will enjoy an enhanced ability to remove directors general of ministries who are not performing to satisfaction. It remains to be seen how new provincial governments will use their new powers; turnover on the PC in most areas approaches 80 percent and new members have serious training needs with regard to the PPL and related matters.

¶6. (C) The PPL also enhances provincial oversight in security, in a way that is not always clear and that sets up the potential for conflict with the Prime Minister. Most authority over the Iraqi Police (IP) shifts to the provincial government, including the appointment and removal of the Chief of Police, leaving command over the Iraqi Army (IA) to the Prime Minister. To avoid conflicts under the PPL with incoming governments, Maliki removed or appointed several police chiefs shortly before the elections. The success of Maliki's State of Law list should reduce the potential for conflict with the national government over police chief appointments in the southern provinces, but tensions can be expected in central and northern provinces; Diyala and Ninewa police chiefs should be point of confrontation soon. Provincial governments are also authorized under the PPL to develop local security plans, but in coordination with the IA and IP, which may create jurisdictional disputes, especially where PM-led Provincial Operations Centers are present.

¶7. (U) Comment: USAID's Local Governance Project is ready now to begin assisting 11 high-priority provincial governments. The assistance will begin with a series of orientation sessions to explain provincial governments' new roles and responsibilities. We will follow this with a program, tailored to each province, covering capital budget planning and implementation, the oversight of services-delivery, the organization and management of staffs and committees, outreach to civil society and other topics. END Comment.

Regional Governments and Their Aspirants

¶8. (C) Relations between the central government and the Kurdish Regional Government have their own, and worrying, set of complications. While the constitution grants Kurdish authorities control over areas of Ninewa, Kirkuk, and Diyala Provinces that were administered by them on May 19, 2003 QProvinces that were administered by them on May 19, 2003 (i.e., north of the "Green Line"), there is no agreement on where that line is, nor on what specific powers Kurdish authorities have and what authorities the central government

retains in those areas. (The Article 140 process of adjudicating conflicting territorial claims has made little progress, and the release in mid-April by UNAMI of reports on the Disputed Internal Boundaries may or may not help.) For that matter, there is no agreement between Baghdad and Erbil on the division of power even within the three northern governorates of the KRG. IHEC is pressing its (constitutionally dubious) claim to authority over elections in the KRG. The Ministry of Oil is pressing its (constitutionally much better founded) claim of authority over contracts and exports of oil from the Khurmala Dome in Erbil Province. The relationship between the Peshmerga as a regional security force, and the national security force institutions is unclear. Attempts by either side to impose its preferred solution (e.g., deployment by Maliki of ISF to sensitive areas now occupied by Peshmerga without consultations with Kurdish authorities) could provoke armed

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conflict.

¶9. (C) Region-formation aspirations in the South -- whether of the nine-province variety favored by elements in ISCI, or the one- and three-province variants promoted occasionally in the oil-rich far south -- are dormant for the time being. Maliki's victories in Shi'a-majority provinces showed that security, dissatisfaction with local incumbents, and Shi'a Iraqi nationalism (support for a strong, unified state, hostility toward Iran, deep skepticism toward Kurdish intentions, and relative religious moderation) were more important motivators than discontent with Baghdad. Southern regional aspirations could resurface if Da'wa fails to deliver better government, however. Sunni Arabs, with a strong nationalist bent and a still-vivid memory of a highly centralized Sunni government in Baghdad, have few regional aspirations of their own. They are highly critical of the regional rumblings of the Kurds in the North and the Shi'a Arabs in the South. They see a decentralized state with strong regional governments as a force that would weaken Iraq in relation to its neighbors, particularly the Sunni Arabs' bte noir to the east, Iran.

Shifting National Alliances

¶10. (C) While the Prime Minister's amassed authority has enabled him to project an image as a strong leader and build popular support among Shi'a Arabs, it has also provoked ISCI and the Kurds to work against him in parliament, in partnership with other anti-Maliki elements such as the Sunni Iraqi Islamic Party. In the early March debate over the 2009 GoI budget, this group inserted amendments authorizing an increased direct transfer of funds from service-providing ministries to provincial governments (ref B). To counter this bloc, the Prime Minister has been working to build support from the remaining, relatively nationalist Shi'a parties and perhaps from Sunni nationalist and ex-Baathist elements, including the National Dialogue Front. A realignment of national Iraqi politics along the axes of power-sharing, centralization and the Prime Minister could further complicate internal disputes such as those over territorial claims and hydrocarbons. Current political partnerships are far from permanent, however, and could shift in response to new issues and tactical opportunities. Many parties with tendencies toward nationalism and centralization (Da'wa, Hadba in Ninewa) now control provincial governments, which may temper their support for central government authority. Thus the limited decentralization that already exists in Iraq provides an incentive for regional and local leaders to balance against central government power, even if they do so for tactical rather than philosophical reasons.

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